Foreign CROPS AND MARKETS

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TYPHOON VERA HITS JAPAN'S RICE CROP

Japan's rice crop was hard hit by typhoon Vera, which struck September 26 and 27. Initial estimates of losses run from 150,000 to 300,000 metric tons of brown rice.

LARGER RAISIN CROP IN TURKEY

Turkey's 1959 raisin crop is forecast at 90,000 short tons--substantially larger than the average (1952-56) of 75,000 tons and the 1958 pack of 72,000 tons. Although the Ixmir Chamber of Commerce and Exchange estimates the crop as large as 105,000 short tons, most Turkish raisin handlers do not believe it will be that big.

COLOMBIA EXPANDING COTTON MILL CAPACITY

Colombia plans to import cotton textile equipment. Import licenses totaling an equivalent of $4,800,000 were issued to the 3 largest mills--Coltejer, Fabricato, and Tejidos Unica. Smaller mills also received licenses for lesser amounts. Equipment imports approved thus far are expected to permit consumption of an additional 23,000 bales of cotton. Present annual mill capacity is about 207,000 bales. The planned increase in mill capacity is in line with recent sharp increases in domestic cotton production.

U. S. TOBACCO IMPORTS CONTINUE TO RISE

U. S. imports of tobacco for consumption rose to 89.2 million pounds in the January-July 1959 period. They were 77.0 million for the similar period of 1958.

TOBACCO, UNMANUFACTURED: U. S. imports for consumption 1/
January-July 1957-59

Commodity and origin	January-July 1957	1958	1959
	1,000 pounds	1,000 pounds	1,000 pounds
Cigarette leaf:			
Turkey	36,386	36,673	39,706
Greece	13,445	16,418	18,635
Yugoslavia	2,244	2,365	2,492
Others 2/	1,866	4,295	3,695
Total	53,941	59,751	64,528
Cigar wrapper	453	353	372
Cigar filler (stemmed and unstemmed):			
Cuba	6,723	6,702	7,703
Philippines	135	168	169
Others	20	184	40
Total	6,878	7,054	7,912
Scrap:			
Cuba	6,851	7,156	9,378
Philippines	2,599	2,068	5,484
Others	17	115	478
Total	9,467	9,339	15,340
Stems	1,026	524	1,046
Grand total	71,765	77,021	89,198

1/ Includes withdrawals from bond for consumption and releases from customs immediately upon arrival. 2/ Largely Italy, Syria, Cyprus, Lebanon, France.

There were substantial increases this year in imports of cigarette leaf and scrap filler for cigars. Cigarette leaf imports totaled 64.5 million pounds in January-July 1959, compared with 59.8 million in January-July 1958; scrap filler totaled 15.3 million pounds this year and 9.3 million a year earlier. Greece and Turkey together accounted for 90 percent of cigarette leaf imports in January-July 1959; Cuba and the Philippines supplied practically all of the scrap filler.

WEST GERMAN TOBACCO
CROP SMALLER THIS YEAR

West Germany's tobacco crop in 1959 may not total more than 35 million pounds. This would be nearly 20 percent below the 43 million pounds last year.

Production of all kinds of tobacco is expected to drop, with the biggest percentage decline likely for Burley--from 14 million pounds in 1958 to 10.6 million this year. It is probable that only 3 million pounds of flue-cured will be harvested this year, compared with 4 million in 1958; cigar tobaccos may total 21.5 million pounds, compared with 25 million a year ago.

BELGIAN TOBACCO IMPORTS UP
SLIGHTLY IN FIRST QUARTER 1959

Belgian manufacturers imported 13.9 million pounds of unmanufactured tobacco in the first 3 months of 1959--a little more than in January-March 1958.

The United States supplied 3.8 million pounds in the January-March 1959 period--a drop of about 10 percent from 4.3 million pounds in the first quarter of 1958. The U. S. share of the Belgian market continued to decline--amounting to only 27.7 percent this year compared with 31.2 percent in January-March 1958. Other major suppliers in the first quarter of 1959, in order of importance, were: Rhodesias-Nyasaland, Brazil, Greece, and the Dominican Republic.

TOBACCO, UNMANUFACTURED: Belgium 1/, imports by country, January-March 1958 and 1959

Country of origin	January-March	
	1958	1959
	1,000 lb.	1,000 lb.
United States	4,258	3,847
Italy	2/	451
Greece	872	968
Turkey	437	305
Indonesia	313	454
Dominican Republic	1,032	979
Brazil	1,049	1,081
Netherlands 3/	447	596
India	448	515
Rhodesias-Nyasaland	1,031	1,143
Others	3,753	3,531
Total	13,640	13,870

1/ Includes Luxembourg. 2/ If any, included in others. 3/ Reexports.

National Statistical Institute.

WEST GERMANY TO BUY LEBANESE APPLES

West Germany has raised the value of its import quota for Lebanese apples to 1,600,000 Deutschemarks. This is the equivalent of $390,000 and approximately 101,867 boxes of apples--about 1/16 of Lebanon's 1958 exportable crop.

FROZEN VEGETABLES GAIN FAVOR IN BRITAIN

London retail prices of frozen peas in 10-oz. packages have been reduced from 30 cents to 27 cents, and broad beans from 37 cents to 34 cents, due to improved production techniques and a 50-percent increase in sales over one year ago. An additional sales increase of 40 percent is predicted for the next 12 months.

In 1958, there were 30,000 tons of frozen vegetables produced in Britain. More frozen peas are now eaten than fresh peas.

DANES WANT CANNED FRUITS LIBERALIZED

The Association of Danish Retail Merchants has asked the Ministry of Commerce to have imports of canned pineapple, peaches, apricots, and citrus fruits completely liberalized. It is contended that under the present system of limited imports there is a tendency for importers to speculate, that private retailers cannot compete with cooperatives and chain stores, and that consumer prices are unnecessarily high.

COLOMBIA ESTABLISHES NATIONAL SUPERVISED AGRICULTURAL CREDIT PROGRAM

The Agricultural Credit Bank of Colombia (Caja Agraria) recently began training personnel for a national supervised agricultural credit program.

This program will be limited for the time being to 5 pilot zones representing the main climatic regions of the country, but plans are to extend it eventually to all agricultural areas. The Credit Bank will conduct the program in conjunction with its continuing program of loaning money at low interest to farmers, and of providing farm machinery and supplies. The program is designed to encourage diversified agriculture and to promote agricultural cooperatives.

Extension assistance to farmers in Colombia heretofore has consisted of a limited extension service in the Ministry of Agriculture, technical advice from some of the private crop institutes, and the model extension services operated by STACA (the joint Colombia-ICA agricultural mission) in the Departments of Boyaca and Valle del Cauca.

ARGENTINE FAVORABLE TRADE BALANCE CONTINUES

Argentina maintained a favorable foreign trade balance of $126 million from January through June of 1959, compared with a trade deficit of $104 million during the same period a year earlier. The favorable trend continued through July with a trade surplus of $14 million for the month.

The favorable balance is attributed to a drop in Argentine imports, which are 40 percent below a year earlier. This reduction reflects a general decline in imports brought about by reforms initiated under the economic stabilization program since December 1958. Peso devaluation, liberalization of domestic prices, and limitations upon money and credit were particularly effective in lowering demand for imports of petroleum products, metals, and food products.

Larger foreign trade in cereals and linseed, wool, hides, and dairy products was offset by a substantial decline in meat and edible oils, and total exports were about 2 percent less than a year earlier.

Reports indicate some decline in the rate of export during the remaining months of 1959 and some expansion in the monthly rate of imports. However, 1959 exports may exceed $900 million, with a strong possibility that Argentina will maintain a favorable trade balance for the year.

FRANCE TO BUY TUNISIAN WHEAT AND BARLEY AT FRENCH SUPPORT PRICES

Under an agreement signed in Tunis on September 5, 1959, France agreed to purchase from Tunisia up to 150,000 tons od durum wheat and 30,000 tons of barley annually at prevailing producer support prices in France. Tunisia agreed to purchase 30,000 tons of soft wheat from France.

In francs per quintal, the basic guaranteed producer prices for standard grade French wheat and barley of the 1959 crop are 3,800 francs ($2.09 per bushel) for soft wheat; 4,800 francs ($2.65 per bushel) for durum wheat; 3,250 francs ($1.43 per bushel) for spring barley; and 3,122 francs ($1.38 per bushel) for winter barley.

These therefore, will be the base prices France will pay for 1959 Tunisian wheat and barley. Tunisia normally has a substantial surplus of durum wheat and barley most of which is sold in France. However, it usually is on an import basis for soft wheat.

U. K. CATTLE AND SHEEP NUMBERS RISE

Compared with numbers a year earlier, the June 1, 1959, livestock census in the United Kingdom showed a 4-percent increase in cattle and a 5-percent rise in sheep. Hog numbers declined 8 percent.

The increase in cattle was mainly in those under 2 years old. This factor, along with government price-support incentives indicates that beef production will start increasing around mid-1960. Both total cattle numbers and breeding cattle numbers rose in England, Wales, and Scotland but both dropped in Northern Ireland.

Sheep numbers continued to increase rapidly and are now at the highest level in 27 years. A continued increase in ewe numbers points to a further increase in total numbers for 1960. Production of mutton and lamb meat should show a gain in the last half of 1959. This increase, combined with greater imports from New Zealand, indicates a further price decline on U. K. markets. Prices have already dropped sharply from 1958 levels. Government price supports remain unchanged, but production of lighter weight carcasses has been encouraged to aid in countering the further price decline that is expected.

The 8-percent drop in hog numbers appears to be a cyclical decline which should now be at the bottom, as breeding stock numbers have leveled off. A 13-percent decrease in pigs under 2 months old indicates that pork production, already below 1958 levels, will decline further during the remainder of 1959. This reduced production should continue well into 1960, as government price supports for fat pigs have been lowered.

LIVESTOCK ON FARMS: United Kingdom, June 1955-59

Type	1955	1956	1957	1958	1959
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
Cattle	10,688	10,907	10,881	10,957	11,342
Cows and heifers	4,489	4,668	4,727	4,646	4,689
Sheep	22,949	23,595	24,797	26,105	27,554
Ewes	9,202	9,596	9,841	10,322	10,682
Hogs	5,843	5,473	5,974	6,485	5,977
Sows and Bred Gilts	683	685	746	806	702

NETHERLANDS TRANSSHIPMENTS OF HIDES AND SKINS TO SOVIET BLOC

Transit trade of U. S. hides and skins (chiefly bovine) through the Netherlands to the Soviet Bloc totaled 7.3 million pounds in 1958, compared with 14.1 million pounds in 1957. In the first half of 1959 the volume of this trade was sharply above the total for the previous year. This increase must reflect a reduction in stocks, as U. S. exports to the Netherlands this year have been substantially below a year ago.

Reexports of Argentine hides by the Netherlands totaled 48.1 million pounds in 1958, compared with 27.7 million in 1957. During the first half of 1959, the total was 15.5 million pounds.

Reexports of Argentine hides and skins went mainly to Hungary and Rumania while the principal destinations for those from the United States were the U.S.S.R. and East Germany. In addition to the transit trade through the Netherlands, considerable quantities of Argentine hides are shipped direct to the Soviet Bloc.

HIDES AND SKINS: Netherlands transshipments from the United States and Argentina to Soviet Bloc countries, 1957 and 1958 and January-June 1959

Country of destination	United States			Argentina		
	1957	1958	1959 1/	1957	1958	1959 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Czechoslovakia	1,153	1,140	247	5,981	11,371	3,715
Germany, East	2,324	730	3,616	1,060	2,630	578
Hungary	917	637	1,396	11,435	29,960	9,411
Poland	2,427	761	425	1,953	448	1,369
Rumania	---	24	24	5,937	3,523	---
U.S.S.R.	7,240	3,977	4,246	1,314	174	421
Total	14,061	7,269	9,954	27,680	48,106	15,494

1/ January-June only.

Central Bureau of Statistics.

NEW ZEALAND BEEF PRODUCTION DROPS

New Zealand's production of export beef between October 1, 1958, and August 1, 1959, fell to 185 million pounds--a decline of approximately 15 percent from the same period a year earlier.

This decline has been reflected in shipments of beef, which dropped from 179 million pounds during the 10 months ended August 1, 1958 to 164 million during the comparable period ended August 1, 1959. Shipments of meat to the United States, however, rose slightly to 127 million pounds. Exports to Canada dropped.

CANADIAN CATTLE FEEDING UP SHARPLY

Purchases of feeder cattle by Canadian livestock feeders exceeded 29,400 head during August, 41 percent above a year earlier. This was still considerably below the record purchases of 40,308 head during August 1956.

Strong demand and high prices for beef pushed feeder steer prices to $23.70 ($24.83 U. S. currency) during August 1959, 13 percent above a year earlier.

The increase in cattle feeding indicated by this rise in feeder cattle purchases will probably bring about heavier beef production in Canada next year. Inspected beef production during the first 8 months of 1959, however, was 5 percent below the same period a year earlier.

IRELAND SENDS BEEF TO VENEZUELA

Ireland exported 6,000 chilled beef quarters to Venezuela in mid-September. A second shipment totaling 300 tons was scheduled to leave Dublin on September 21.

SOUTH AFRICAN MOHAIR PRODUCTION, EXPORTS DOWN IN 1959

The 1959 mohair clip in the Union of South Africa and Basutoland is estimated at about 7 million pounds, compared with 7.2 million pounds in 1958.

Exports in 1958 totaled 7.4 million pounds. In 1959, they amounted to 6.5 million pounds. Shipments are expected to decline slightly in 1959.

South African mohair competes with U. S. mohair in world markets, mainly the United Kingdom. Demand has been especially strong this year and world prices have been sharply above a year earlier.

SWEDEN RAISES LIVESTOCK AND MEAT IMPORT DUTIES

Sweden has raised import duties on certain livestock and meat items. The action was taken to forestall a possible glut in the domestic meat market as a result of increased slaughter because of drought.

Duties in U. S. cents per pound now are: live cattle, 6 cents; whole, half, or quarter carcass beef, 10 cents; boneless beef, lamb, mutton, and horsemeat, 14 cents; and cured, preserved, and certain variety meats, 15 cents.

VENEZUELA BANS HOG IMPORTS FROM CANADA AND NORTHERN U. S.

Venezuela has banned live hog imports from Canada and the northern United States because of atrophic rhinitis. Eighteen hogs recently imported from Ottawa were found to be suffering from this respiratory disease.

The quarantine on imports from the United States is a precautionary measure.

YUGOSLAVIA TO BUILD NEW SOYBEAN PROCESSING PLANTS

The Government of Yugoslavia plans to construct several new mills for processing soybeans, according to trade sources there. The new mills, with a capacity of 165,000 metric tons of soybeans annually, will be designed to produce high-quality soybean oil and toasted meal. Construction should be completed within 2 years.

A pressing need for more high-protein feed to supply the expanding livestock industry has prompted the construction plans. The higher meal content of soybeans relative to other oilseeds favors the processing of soybeans.

Although Yugoslav oilseed mills are now operating at only 50 percent of their capacity, most of these mills are old and their machinery is both obsolete and worn out. Also, they are designed to process sunflower seed and other locally grown oilseeds. Since the government plants to increase production of soybeans, there must be mills capable of processing them. Only 2 or 3 mills now in operation, with a capacity of around 40,000 metric tons (1.5 million bushels), can process soybeans.

Yugoslavia produces about 14,000 tons of soybeans (515,000 bushels) annually. It is probable that domestic production will not expand rapidly enough to fully supply the new mills for some time, in which case soybean imports will be necessary. Imports in 1959 are estimated at 21,000 metric tons 770,007 bushels), all from Communist China.

THAILAND'S SOYBEAN OUTPUT DOWN, EXPORTS UP

Thailand's 1958-59 soybean crop is estimated at 797,300 bushels, one-fifth below the 1 million bushels grown in 1957-58. Yields were down slightly, but reduced acreage, resulting from dry weather in North Thailand, accounts for most of the decline.

Thailand has 2 crops of soybeans, one interplanted and harvested in September and the other grown alone in rice paddies after each year's rice harvest. Most of the crop is harvested in March from the rice paddies. The 1958-59 estimate includes soybeans harvested in September 1958 and March 1959.

In the first 7 months of 1959, Thailand exported 104,682 bushels of soybeans--a sharp rise from the 67,277 bushels shipped in January-July 1958. Wholesale prices for soybeans in Bangkok in the first half of this year averaged about $2.60 per bushel, against $3.80 during January-June 1958.

BRAZIL GROWING MORE SOYBEANS

Brazil expects to produce 7 million bushels of soybeans in 1960. Output was 5.5 million bushels in 1959 and 4.6 million bushels in 1958. The bulk of the 1960 crop will be planted later this year, but producers are generally enthusiastic and planting intentions are high, especially in Rio Grande do Sul where 90 percent of Brazil's soybeans are produced. A number of factors are encouraging soybean production:

(1) Relatively high prices for soybeans have created a general enthusiasm for soybeans as a cash crop. Prices are thought to be high enough to encourage breaking new lands and switching from competing crops--mainly beans, corn, and wheat.

(2) Wheat farmers have become discouraged with wheat prices and yields during the last 2 years, and are expected to concentrate more of their productive resources on soybeans.

(3) Trade interests are pushing soybean production--especially in the central depression of Rio Grande do Sul--by distributing seed, giving technical assistance, and granting financial aid to producers. Soybean processors in Sao Paulo have announced that they will guarantee producers a price of Cr$ 600 per 132-pound bag for up to 50,000 bags locally grown. This is almost double the government guarantee.

(4) The Brazilian Government's minimum guaranteed price of Cr$ 373 per 132-pound bag, is 23 percent more than last year's guaranteed price.

If the 1960 crop proves successful in terms of yields and financial returns, continued expansion may be expected. Producers hope to adapt early-maturing varieties of soybeans so that they can be planted as an off-season crop in the wheat areas. A trade source predicts an output of 300,000 tons (11 million bushels) within 2 to 3 years.

ARGENTINE FLAXSEED ACREAGE DOWN IN 1959-60

The first official Argentine estimate for sown flaxseed area in 1959-60 is 2.67 million acres. The comparable estimate for 1958-59 was 3.31 million acres and the final estimate last year was 2.97 acres. Excessive rains during the planting season account for the decline.

NEW INTERNATIONAL COFFEE AGREEMENT SIGNED

A new International Coffee Agreement signed in Washington on September 24, 1959, replaces and broadens the Latin American Agreement which expired on September 30, This agreement, like its predecessor, is for 1 year -- October 1959 through September 1960, with the principal short-term objectives of price stabilization and the orderly marketing of coffee.

A principal achievement of the recent Coffee Group Meetings was obtaining participation of African producers in the new agreement. France and Portugal signed the agreement as full participant on behalf of their Overseas Territories. The United Kingdom and Belgium, while not signing the agreement formally, did sign a "Declaration of Intent" which provides maximum export figures for their Overseas Territories. Thus the new agreement may be called a World Agreement rather than a Latin American one. It has the full participation of the Latin American producers.

The new agreement is basically a fixed-export quota arrangement in contrast to the Latin American Agreement, which was a retention-type plan under which signatory countries held back specified percentages of their exportable crop.

The new agreement provides that export quotas for signatory countries will be equivalent to 90 percent of the largest annual exports during any one of the past 10 calendar years. However, one provision of the agreement permits countries with 1959-60 exportable crops under 2.0 million bags to request the Board of Directors to readjust their quotas to a maximum of 88 percent of the 1959-60 exportable estimate of the U. S. Department of Agriculture when such a calculation would give a higher quota than the "90 percent" formula. This readjustment presumably could be made only after the third and/or fourth estimate for 1959-60, i.e., the December 1959 and March 1960 estimates as published in Foreign Crops and Markets.

Considerable emphasis was given by the Study Group to stepping up studies and programs aimed at bringing world supplies more nearly into balance with requirements. Cooperation of international agencies, such as the Food and Agriculture Organization of the United Nations and the International Bank for Reconstruction and Development, as well as the consuming countries, was solicited.

GHANA EXPECTS LARGER COCOA CROP

Ghana expects a 1959-60 main cocoa crop of 247,000 long tons (553,280,000 pounds), according to the first official estimate released September 22. This would be a substantial increase over the 225,858-ton (505,921,920-pound) main crop of 1958-59. Total 1958-59 production, however, amounted to approximately 256,000 tons (573,440,000 pounds), as the mid-crop was exceptionally large.

PORTUGUESE FIG CROP HURT BY RAIN

The 1959 dried fig pack in Algarve, Portugal, is now forecast at 13,000 short tons, a 2,000-ton reduction from earlier estimates by the Portuguese trade. Rains between September 9 and 18 caused serious damage.

It was originally forecast that 11,000 short tons would be suitable for whole dried figs and fig paste and 4,000 tons would be of inedible quality. It is now estimated that only 7,500 short tons are of edible grade while 5,500 tons will have to be distilled. Some Portuguese trade elements estimate the edible volume as low as 6,500 short tons.

AUSTRALIAN CANNED FRUIT EXPORTS REPORTED FOR 1958-59

Australian exports of canned peaches and apricots decreased during the year ending June 30, 1959, while canned pear exports increased. Exports of Australian canned fruits are expected to decline during fiscal 1960 because of smaller 1959 packs of peaches, apricots, and pears.

FRUITS, CANNED: Australian exports, specified kinds, fiscal years 1957-58 and 1958-59

Canned fruit	Year ending June 30	
	1958	1959
	1,000 cases (equiv. 24 No. $2\frac{1}{2}$ cans)	
Pears	1,649	1,727
Peaches	1,070	1,003
Apricots	457	334

Diversion of the small 1959 apricot harvest from canning to drying was partly responsible for the pronounced decrease in the canned apricot pack.

Despite a sizable canned pear carryover, the small 1959 pack will reduce supplies for export in the fiscal year which began July 1, 1959.

AUSTRALIA SELLS 1.7 MILLION POUNDS
OF BUTTER TO SOUTH AFRICA

The Australian press reports that 1.7 million pounds of butter have been sold to South Africa with delivery to be made in two shipments in September and October. The butter is reportedly of "choicest" quality and was sold at 47 cents per pound c.i.f. Capetown or Durban.

Normally, South Africa has a small surplus of butter, but drought this year in some of the dairying areas caused a butter shortage. South Africa has also imported some butter from New Zealand (see Foreign Crops and Markets, June 15, 1959).

IRELAND'S BUTTER
EXPORTS DECLINING

Irish butter exports in the first half of 1959 dropped sharply to 2.1 million pounds from 23.0 million in comparable 1958. Shipments to the United Kingdom, by far the most important market, were only 0.4 million pounds, compared with 14.6 million last year.

A decline of 23 percent in creamery butter production during the first half of 1959, along with an increase in domestic consumption of about 7 percent, greatly reduced the quantity of butter available for export.

Cheese production totaled 3.1 million pounds in the first half of 1959. This was 1.3 million more than in comparable 1958. Cheese exports increased from 33,000 pounds to 122,000 pounds, of which the United Kingdom took 63 percent. However, cheese imports increased from 107,000 pounds to 385,000 pounds in this 6-month period.

U.S. SHARE OF WEST GERMAN POULTRY
IMPORTS JUMPS 428 PERCENT IN YEAR

The United States exported 7.7 million pounds of slaughtered poultry to West Germany in the first half of 1959, compared with 1.8 million pounds a year earlier. This was an increase of 428 percent. The U. S. share of the West German poultry market jumped to 10.3 percent. U. S. exports to West Germany in the first half of 1959 already exceed total 1958 exports.

The Netherlands continued to be West Germany's major supplier, shipping 35.9 million pounds through June 1959, compared with 27.3 million a year earlier. Denmark upped its exports from 7.2 million pounds in early 1958 to 17.8 million pounds this year. Polish exports increased from 5.3 million pounds through June 1958 to 7.4 million pounds in the first half of this year.

In all of 1958, West Germany imported 141.6 million pounds of slaughtered poultry, compared with 108.5 million in 1957. Sixty-two million pounds came from the Netherlands, 23.0 million from Denmark, 21.2 million from Poland, and 7.0 million from the United States.

CUBA ANNOUNCES 1959-60 QUARTERLY RICE IMPORT QUOTA

Cuba announced its allocation by quarters of the 1959-60 (July-June) low-duty rice import quota in Resolution No. 104 on September 7. The 3,296,000 bags (100 pounds) for the year were distributed by quarters as follows (1,000 bags): first, 971; second and third each, 927; and fourth, 471.

The General Director of Import and Export carries out the provisions of the resolution, which took effect on the date of publication.

IRISH WHEAT IMPORTS HIGH IN 1958-59

Ireland imported a record 13 million bushels of wheat (including seed) during 1958-59 (July-June), compared with 3 million bushels the previous year. Adverse weather damaged the 1958 crop. About 85 percent of the harvest was unfit for milling and had to be used for feed. Irish flour imports are negligible.

Canada continued to be Ireland's principal source of wheat in 1958-59 supplying 4.8 million bushels--37 percent of the total. In 1957-58, Canada supplied 1.9 million bushels, about 56 percent of the total. Imports from Australia and Argentina during 1958-59 were 3.8 and 3.0 million bushels, respectively, against 1 million and none the year before. Imports from the United States in 1958-59 were 909,000 bushels, about 7 percent of the total, compared with 364,000 bushels, or 12 percent of the total during 1957-58. Some small shipments were received from the United Kingdom, France, and Italy during 1958-59.

Ireland's 1959 wheat crop is estimated to be slightly short of domestic requirements but of above-average quality. As a result, imports during 1959-60 are expected to be sharply below those for 1958-59.

WHEAT: Irish imports, year ending June 30, 1958 and 1959

Country of origin	July-June 1957-58	July-June 1958-59
	1,000 bu.	1,000 bu.
United States	364	909
Canada	1,890	4,757
Australia	969	3,817
Argentina	---	3,004
Others 1/	157	561
Total	3,380	13,048

1/ Includes seed wheat.

Compiled from official and other sources.

PAKISTAN ANNOUNCES RICE
EXPORT POLICY FOR 1959-60

Pakistan has announced its export policy for rice from West Pakistan's 1959 harvest (principally October-November). Private trade will export the rice, but not at fixed prices and without a bonus.

West Pakistan's crop is reported to be progressing satisfactorily. The following varieties and quantities will be available for export if the harvest is normal: Basmati, 50,000 long tons (1 long ton = 2,240 pounds); Parmal, 20,000 tons; and Begmi, 30,000 tons; total 100,000 tons.

High-quality rice is exported from West Pakistan for foreign exchange. East Pakistan imports large quantities of lower grades.

Although private trade will procure and export the rice, exports will be strictly controlled in order to ensure exports for foreign exchange. However, traders feel that when the main incentive to export--the export bonus--is withdrawn, export profits will be insufficient.

Whereas previously the government procured rice from growers, the trade will now procure the rice, although not at fixed prices. After December 1, the export bonus--previously 20 percent of the foreign exchange earned--will not be allowed.

The export quota will be determined every 3 months. The surcharge will be continued at 1 rupee per maund (26 cents per 100 pounds), and quality will be strictly checked. The trade will arrange to store the rice procured; formerly it was stored in government warehouses only.

In addition to the 100,000 tons of new-crop rice, 25,000 tons of the 1958 harvest is still available for export. Pakistan originally allocated for export about 100,000 tons of the 1958 crop. From January through July, around 72,000 tons were sold, and 39,000 tons exported. Varieties and prices were as follows:

Variety	Average price f.o.b. Karachi		Sales	Exports
	₤ per long ton	Dollars per 100 lbs.	1,000 long tons	1,000 long tons
Basmati	75	9.41	15.5	12.0
Parmal	55	6.90	4.5	2.9
Begmi	43	5.40	30.2	16.9
Kangi and Koshi	41	5.15	22.0	7.0
Total	--	--	72.2	38.8

BURMA'S RICE EXPORTS RALLY

Rice exports from Burma in July, at 201,185 long tons, were well above average monthly exports in the first half of 1959. January-June exports, averaging around 125,000 tons a month, were below normal.

January-July exports totaled 956,000 tons, only slightly less than the 986,000 tons in the first 7 months of 1958. Maximum exports are expected during the remainder of 1959.

Authoritative Burmese sources indicated in late August that around 2 million tons of rice had been sold thus far in 1959. By mid-August exports sales of 1.73 million tons were definitely reported. Of these, 1,392,000 tons were of the 1958-59 crop--1,317,000 tons under government-to-government contracts and 75,000 tons of private trade.

Government-to-government contracts for rice and rice products were as follows:

Contracting government	Quantity	Contracting government	Quantity
	1,000 long tons		1,000 long tons
Ceylon	200	Mauritius	50
India	350	Pakistan	200
Indonesia	330	Ryukyus	33
Israel	4	Sierra Leone	13
Japan	26	Singapore	5
Maldives	6	U.S.S.R.	50
Malaya	20	Yugoslavia	30
		Total	1,317

INDIA'S RICE CROP PROSPECTS GOOD

If rainfall continues favorable, India will have another large rice crop this year. It may even surpass last year's record. The 1959-60 rice acreage is expected to exceed the 82 million acres planted in 1958-59, and above-normal rainfall is reported in most rice-growing areas.

The crop is as good or better than a year ago in all states except Bihar, eastern Uttar Pradesh, Kerala, and Kashmir. West Bengal, the largest producing state, has a good crop, compared with a very poor harvest the year before.

NEW CHILEAN DUTY SURCHARGES ON AGRICULTURAL IMPORTS

Recent decrees by the Chilean Government have imposed duty surcharges upon imports of a number of agricultural commodities. The duty surcharges replace advanced import deposits required under former regulations for import of those commodities.

The commodities and duty surcharge applied to each are as follows (stated in percent of c.i.f. value): plant materials for scientific use, vegetable oilseeds (20); refined white sugar (50); poultry and eggs, fresh fruit and vegetables, flax fiber, pork, fresh and condensed milk, wheat flour, refined and semi-refined vegetable oils (200). New regulations also require an advanced deposit, in foreign currency, to cover value of the duty surcharges.

The government contemplates removal of advanced import deposits and the application of duty surcharges to all commodities, as a temporary restriction, until a revision of import tariffs is completed. Advanced deposits of 90 days, amounting to 100 or 200 percent of c.i.f. value, are required for many of the important agricultural import commodities. Deposits, ranging to 5,000 percent, are required for products of less importance or competitive with domestic production. The contemplated duty surcharges, limited to a maximum of 200 percent of c.i.f. value, are to maintain about the same restrictive effect on imports as existing deposits do.

SWITZERLAND LIKELY TO IMPORT MORE COTTON THIS SEASON

Lower cotton prices, along with relatively low cotton stocks and prospects for some improvement in consumption, are expected to result in larger cotton imports into Switzerland during the current season.

In view of the now competitive prices of U. S. cotton and the sharply reduced stocks of this growth, the U. S. share of the Swiss cotton import market should increase substantially from the low level of last season.

Switzerland imported a total of 137,000 bales (500 pounds gross) of cotton during the 1958-59 season (August-July). This was a decline of 29 percent from the 193,000 bales imported in 1957-58.

Imports of U. S. cotton dropped to 15,000 bales or 11 percent of total imports, in contrast to 76,000 bales or 39 percent of the total in 1957-58. The sharp reduction in imports from this country was partly offset by larger shipments of lower-priced cotton from most other major suppliers.

Quantities imported from principal non-U.S. sources during 1958-59, with comparable 1957-58 figures in parentheses, were: Peru 40,000 bales (36,000); Mexico 35,000 (29,000); Egypt 14,000 (27,000); Sudan 6,000 (5,000); British East Africa 5,000 (2,000); Nicaragua 5,000 (3,000; Paraguay 4,000 (2,000); Belgian Congo 3,000 (932); and the U.S.S.R. 2,000 (3,000).

Cotton consumption in Switzerland in 1958-59, at an estimated 160,000 bales, was 19 percent below the record level of 198,000 bales in the preceding season. Some increase in consumption is likely this season as further recovery from the textile recession occurs.

Cotton stocks on July 31, 1959, were estimated at about 98,000 bales--down 20 percent from beginning stocks of 122,000 bales on August 1, 1958.

OILSEED SHIPMENTS THROUGH SUEZ HIGH AGAIN IN JUNE

Northbound shipments of oilseeds through the Suez Canal in June were more than twice the volume of June 1958. Larger shipments of soybeans from Communist China accounted for most of the increase. Shipments of cottonseed, although relatively minor, were also up sharply, probably because of larger Sudanese supply.

Oilseed shipments through the Suez during October-June of 1958-59 were 15 percent above those of 1957-58. Copra shipments were down about 40 percent, and flaxseed shipments were down slightly; but increases in other oilseeds, especially soybeans, more than offset the decline.

Shipment of soybeans in the first 9 months of the marketing year just ended totaled 24.3 million bushels, against only 10.0 million in October-June of 1957-58.

OILSEEDS: Northbound shipments, Suez Canal, June 1958 and 1959, October-June 1957-58 and 1958-59

Item	June		October-June	
	1958	1959	1957-58	1958-59
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Soybeans 1/	35.3	124.6	300.9	729.7
Copra	40.8	37.5	637.1	377.0
Peanuts	6.6	9.9	123.5	134.5
Cottonseed	8.8	18.7	97.0	123.5
Flaxseed 2/	---	5.5	32.0	25.4
Others	12.1	19.8	154.3	181.8
Total	103.6	216.0	1,344.8	1,571.9

1/ Convert at 33.3 bushels per ton. 2/ Convert at 37.5 bushels per ton.

Source: Suez Canal Authority, Monthly Bulletin, (Cairo, Egypt)

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COTTON CONSUMPTION PROSPECTS
IMPROVING IN CHILE

Prospects are favorable for a higher level of cotton consumption in Chile this season than in 1958-59, thus halting the steady downward trend from 1954 through 1958.

Chilean cotton mills, which have operated below full capacity in recent years, plan to step up production. Increased consumer purchasing power has strengthened demand for cotton goods, and stocks of textiles have been worked off. In 1958-59, mills consumed an estimated 65,000 bales. This was 20 percent below 1957-58 consumption of about 81,000 bales, and 40 percent below the record level of 108,000 bales in 1953-54.

Because of the improved textile situation, Chile is expected to import more cotton this season. The U. S. share of the Chilean market is likely to increase substantially over 1958-59, when most purchases were shifted to lower-priced Peruvian cotton. Prices of U. S. cotton are now competitive, and exportable supplies of Peruvian cotton are relatively low.

Imports in 1958-59 were estimated at 64,000 bales, compared with 80,000 in 1957-58. Approximately 47,000 bales came from Peru in 1958-59, and about 10,000 bales from the United States.

End-season cotton stocks on July 31, 1959, of an estimated 16,000 bales, were down 6 percent from beginning stocks of 17,000 bales.

Cotton is grown in Chile only on an experimental basis and production amounts to less than 500 bales annually.